

Madia May 17, 2007 buyout offer for Cabo investors...

M. Robert Madia

From: pk@imvelocita.com
Date: May 17, 2007 at 9:21:20 PM EDT
To: Attorney Madia RMM@MadiaLaw.com
Cc: Phil Kenner Phil@StandardAdvisors.com
Subject: Jowdy and Najam meeting update
Attachments: FW: FW: fax_9017177166.tif

Rob...thx for making the offers to the investors and updating them. nolan and peca called me about it an hour or so ago after reading your message and said f-jowdy. berard called and told me he wanted to choke jowdy. I told him to calm down and let the legal process play out. We have all the evidence so only corruption from freeds people could stop legal success. at least they understand this is going to be a tough fight. this is insane with jowdy and najam. I know that kaiser and constantine do not want to sue lehman or have me contact jeff keswin's ceo friend at lehman there but I think without pressure and litigation asap we are going to let jowdy and his f'd up attorneys like harvey and fernandog dig their corruption deeper and deeper and we wont be able to unwind them here or in mex. I think the lehman guy bhatti has a hand in this because we never got the answer what happened to the 16 mill of cabo closing commissions or so that jowdy and najam said were to pay us off when distributed. remember the document they sent us with the numbers wr? they are already starting their fear freight and hysteria narrative about me to confuse people. hawk told me he thinks they are communicating with myrick since I fired that floozy and coke addict. That is Jowdys kinda girl for Clemens ugh. I am sure they stole the commission money like the rest of the budget money we already know. I showed the mex attys. They were shocked of why to steal from us right away when running the place would make them all more money than they dreamed. Imk when you hear from the guys for the buy out. I have the funds ready. pk

From: R.M.Madia RMM@MadiaLaw.com
Date: May 17, 2007 at 7:07:17 PM EDT
To: Phil Kenner Phil@StandardAdvisors.com; pk@imvelocita.com; Brad Isbister; Brad Lukowich; Brian Berard; Brian Campbell; Chris Simon; Dan Boyle; Darryl Sydor; Dimitri Khristich; Ethan Moreau; Glen Murray; Greg deVries; Jason Woolley; Jay McKee; Mattias Nordstrom; Michael Peca; Owen Nolan; Sergei Gonchar; Steve Ruchin; Travis Green; Turner Stevenson; Tyson Nash; Vladimir Tsyplakov; Chris Manfredi; John Kaiser; John Kaiser; Chris Hawkins
Cc: R.M.Madia RMM@MadiaLaw.com; Phil Kenner Phil@StandardAdvisors.com; pk@imvelocita.com
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I am sure you are all aware that Phil has been travelling around the U.S. and Mexico to find Jowdy for a face to face meeting for quite some time about his lack of communication and non-payments of the Hawaii loans. Phil finally tracked him and Bill Najam down in Cabo. Phil discussed the misrepresentation and documentation issues raised by Phil at our last conference call including the \$2.3 million capital account for CSI Properties, 2006, LLC (your investment LLC as attached) and the \$3 million capital account for Baja Ventures 2006, LLC (the investment LLC for Phil, Stumpel, and Lehtinen that made all the initial investments before Lehman agreed to

fund). Phil discussed the 40% (Baja Ventures 2006) – 40% (CSL) – 20% (Jowdy) equity split getting fixed that Jowdy changed for the closing with promise to reappreciate post funding. There were other items but in summation, Jowdy and Najam have no interest in discussing any changes we previously agreed to in order to complete the March 2006 funding in Cabo under duress. I think the pressure was created by Jowdy to hide his frauds from us and close the deal with Bhatti from Lehman. They offered Phil bribes to keep quiet and not tell you (Phil's investors) what they were doing and not doing with the money as Phil discovered through the bank records. This also included their refusal to now address the Hawaii loan repayments like they don't exist.

For those of you who know Bobby (Gaudett) in Cabo, Jowdy is doing the same to him. I understand Bobby is going to sue Jowdy and start his personal legal process. I have advised Phil that we should run parallel to Bobby's Mexico litigation efforts for maximum impact. I do not see another alternative to resolve the crap Jowdy has created. Phil met with Mexico legal counsel and is prepared to sue both criminally and civilly for all of you. I cannot project the results because this is uncharted territory and so soon after the March 2006 closing that it all appears planned by Jowdy and Bhatti. Tommy Constantine and John Kaiser have been urging Phil to not sue Jowdy. They think it will destroy the value in Cabo and Lehman may foreclose on the property. They may be right. They want to negotiate with Jowdy through Tommy. I do not agree. But, you must remember that Lehman also has the funding on the Hawaii project through Bhatti and they have not begun to address the \$4 million in milestone payments as required. You know Phil gave up control in Hawaii for all of you to receive your proportionate share of the \$7 million closing funds while Phil left his capital account in the deal and signed over his home in Hawaii to the project absent profits of nearly \$300,000. Time will expose the Lehman banker and his Hawaii development friend Alan Worden.

Some of you should know that Phil has met with legal counsel in New York through Robert Thompson's contacts to discuss a U.S. strategy versus Jowdy and Lehman. Mr. Thompson was President Carter's former legal attache to Congress. You understand that with Louis Freeh and John Behnke involved with Jowdy this will require megafunding and fortitude to take them on. For now we need to think about Cabo and what is going on in Mexico. Freeh will have less influence there but Jowdy's project money and leverage can buy a lot of protection.

Phil has offered to buy any or all of you out of your contributions in CSL Properties. We do not know if our Mexico legal efforts will be successful and Phil wants to make it clear you can cash out now if you want. Just contact me and I will handle the paperwork with you and your personal attorneys. This is not how any of us planned the Cabo or Hawaii deals to pan out but when there is tremendous money at stake these are the things that can only be mitigated not eliminated through legal due diligence. It does not stop bad people or criminals from doing illegal things. Send me a reply if you want to cash out or discuss the details any further. I am always available to your attorneys or other advisors for additional discussions. I need your permission by email to discuss the details with them like I have before. We will take this legal process one step at a time and navigate it as a group. Phil has said he will not let them steal from us as a group. But if you want to cash out Phil will make it happen to alleviate the Cabo portion of the issues. Sincerely, Rob

From: pk.pkennner@imvelocita.com
Date: May 17, 2007 at 4:01:16 PM EDT

To: Attorney Madia RMM@MadiaLaw.com
Cc: Phil Kenner Phil@StandardAdvisors.com
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Rob. I attached the signed csl property operating agreement from the cabo closing with all the signatures for buy out language if needed. It is about 20 pages. After finally meeting with jowdy and najam in cabo it is obvious they are not going to play fair with us and have other plans going fwd. I addressed the \$2.3 mill for csl property that jowdy lists as 2 mill cap acct. I also told him he is missing the 1.6 mill from stumpy and the other mill or so from me for baja ventures 2006. me stumpy and jere should have at least 5 mill in our baja ventures 2006 cap acct. this is a clusterfuck. He said he didnt care and nothing was changing with his fbi friends protecting him and his lehman buddy funding everything he wants without us now. He looked shocked when I told him that I wasnt going along with his bribes to fuck the boys over. You know its not my style. najam had the balls to tell me that these are the new rules. money corrupted them bad. I think they are closing on some other multi mill projects in the states same size as cabo or so with lehman and bhatti because he offered me equity and jobs when they close of places I never heard of. mickelson's guys told me they walked recently from a deal because of obvious corruption with jowdy and bhatti in palm springs or cali somewhere because it smelled bad like a money grab and fraud. they thought there were other crooked deals happening with them all. They told me to be careful about the fbi peeps because jowdy refers to them like he was the director in a prior life and super protected or something. i reminded jowdy face to face that he hadnt fixed the 40/40/20 equity after his feb 19 email about it changing just FOR NOW to satisfy something to do with lehman's committee. i dont think there really is one and its all bhatti. TOTAL FRAUDS. please let the boys know that I will buy them out of the cabo deal if they want ASAP and then we can sue jowdy and his shitbum people for the oddm and airplane crap seperate. I met with the mex attys in cabo to start the airport lawsuit versus jowdy also. one step at a time and keep the guys informed so they know EVERYTHING that is going on. this is a shitshow. i am stunned at the arrogance. please update the boys asap. UGH...andtha.pk